

The SJ CSRA CC Now Meets on the 2nd Thursday of the Month at the Cedar Creek Community Center in Aiken, SC

Pres. Willie Simon
V.P. James Barry
Sec. Helen Barry
Treas. Pat James
Sgt. in Arms: J.J. Engel



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the Stephen James CSRA Coin Club, Founded in 2001
Monthly Newsletter

Nov. – Dec., 2007

Our next meeting will be, Nov. 8 with our December Dinner at EeJays on Thurs., Dec. 6 2007

[This extended issue will be the final newsletter of 2007.]

Club VP Jim Barry Becomes President of SCNA

2007 Club Meeting Schedule - 2nd Thursdays at 7 PM

Jan. 11	Apr. 12	July 12	Oct. 11
Feb. 8	May 10	Aug. 9	Nov. 8
Mar. 8	June 14	Sep. 13	Dec. 6

Club member Jim Barry Elected President of State Numismatic Association

At the SCNA Convention held at the Embassy Suites in Greenville Oct. 26-28 the results of the statewide election for President, VP and the Board of Governors were announced. SJ CSRA CC member and club VP Jim Barry, VP was installed as President of the South Carolina Numismatic Association at state organization's annual meeting held Sunday October 28. Jim's work as an active member of the SCNA over the years has not gone unnoticed and is one of its most highly respected members. Congratulations, Jim!

As President Jim's job will not be an easy one. Like many volunteer hobby organizations, most members enjoy the rewards that come with membership but few take on any of the responsibilities that bring about stability and success. This was evident during the recently held SCNA Convention when many of the hard working board members were forced to man the welcoming desk because none of the Greenville area coin clubs bothered to prep their members into participating on an equitable basis to perform this important duty. Usually, state organizations are able to count on volunteers from area clubs to spend an hour or two registering patrons.

Another breakdown in communications had to do with the Exhibits. In the past, a large number of Young Numismatists (YN's) produced some outstanding exhibits but this year, none was to be found and no one seemed to know why. Fortunately, our own Bill Myers was among the adult exhibitors and took "Best in Show" for his exhibit on Counterfeit Japanese Invasion Money of the Philippines during World War II. Bill also won the prestigious award of "Numismatist of the Year" presented by the South Carolina Numismatic Association at its annual meeting held on the morning of Oct. 28. Congratulations, Bill!

(More Club News continues on page 6, column 1)

Collecting the Coinage of 1807 (200 years ago)

By Arno Safran



The obverses of an 1807 Year set (excluding gold)
From left to right - Top: ½¢m 1¢ and 10¢; bottom; 25¢ and 50¢

Ever since I first started collecting coins as a sophomore in high school, I opted for the earlier US types to the contemporary pieces; not so much for their aesthetic appeal as to their age. I had discovered these earlier US coins like the 1807 set shown above in the Wayte Raymond *Standard Catalogue of United States Coins*, the antecedent of the "Red Book". For a 14 year old on a \$2.00 weekly allowance, they seemed to be priced very reasonably. Virtually all the coins bore the Draped Bust obverse design of Robert Scot, our first Chief Mint Engraver (*tenure*, 1793-1823). The catalogue listed only two grades for some of the earlier denominations; Good and Fine. In Fine, the ½¢ was priced at \$2.50 and the cent at \$3.50; the dime and Quarter, each \$10, but the half dollar only \$4.00. That same year a new 50¢ design by Asst. Engraver John Reich called the Capped Bust was released. The catalogue listed it at \$4.00 in Fine and \$7.50 in VF. The problem was the major coin stores carried only the high end and unc pieces priced at \$25 or more.

(Continued on page 2, column 1)

Collecting 1807 U.S. Coinage (excluding gold)
(Continued from page 1, column 2)



The reverses of an 1897 year set (excluding gold)
From left to right – Top: 1¢ and 10¢; bottom: 25¢ and 50¢
[From the author's collection]

The five piece set shown above averages XF-45 but is lacking the Capped Bust half dollar pictured directly below. To be sure, most of these were acquired years later at a considerably higher cost than seen in the old Wayte Raymond catalogue but still priced well below what they would cost today.



An 1807 Capped Bust half dollar, O-112 50/20 rev.
[From the author's collection]

From 1807 until 1836, the lettered edge Capped Bust half dollar coin type shown directly above was the highest silver denomination produced as the dollar had been suspended after 1804. Most dates were struck in the multi-millions (like the later *Morgan dollars*) and have become extremely popular with collectors because of their availability along with the high number of collectible die varieties for most dates.

Assembling a Two Hundred Year Old Coin Set

I first conceived assembling a Draped Bust silver set in the early 1980's after the bullion boom of 1979-80 began to subside. Unfortunately, the major coin dealers with excess cash from the previous two years began to promote rare early US type especially the Flowing Hair and Draped Bust silver coinage (1793-1807). These soon soared to unprecedented heights in 1981 and 1982. As an example, the more common dates such as the 1805 or 1807 Draped Bust/Heraldic Eagle dime grading Very Fine was listed in the wholesale *Coin Dealer Newsletter*

(AKA *Gray Sheet*) for a whopping \$1,700. With the entrance of third party certification in 1986, prices became even stronger. Soon Wall Street brokerage firms began entertaining the idea of setting up portfolios specifically to entice their investor clients into numismatic properties. Rumors began to surface claiming the prices of many of these scarcer coin types along with the extremely common date Morgan dollars, Walking Liberty halves, gold and commemorative issues had been artificially inflated and at the eleventh hour, these firms pulled out leaving many well stocked dealers over extended with loads of generic coins they couldn't sell. The coin market crashed. To make matters worse, the country entered a two year recession after the Gulf War. The *Coin Dealer Newsletter* now listed the 1807 Draped Bust dime in VF at just \$500; a drop in wholesale value of \$1,200. The year was 1992. This was the time to acquire early US type if one had the discretionary income to do so.

A local jewelry store dealer who had a coin section in the rear of his shop sold at the *CDN* Ask price and from him I was able to acquire an 1805 dime in VF for \$550. Years later, I sold it towards acquiring an XF-45 example of the 1807 dime pictured above. Little by little, I was able to fill the rest of the dates of the 1807 set (excluding gold), sometimes cost averaging as the market began to improve during the early 21st century. The two copper pieces; the half cent and large cent had to have natural chocolate brown color, good surfaces and enough definition. One needed a choice VF-30 to XF-45 specimen of each to achieve this and both the 1807 half cent and large shown appear to fall within that grade range and condition criteria. The Draped Bust half dollar in VF was surprisingly not very expensive. I would later upgrade it to an AU-50. The 1807 transitional date Capped Bust 1807 50¢ was priced slightly more. Only the 1807 Draped Bust quarter was going to be tough and as it turned out it was the most expensive of the six coins.

In the late 1990's most US coin dealers did not show images of their coin offerings on their web sites. One had to surf the net for established dealers with a record of reliability and read carefully the description for each coin. I finally found what was described as a nice "original" 1807 Draped Bust quarter grading PCGS-35 off Bowers & Merena's web site. (This was when the original namesake was still the chief executive officer.) The only problem was they were asking XF-40 money for it. I phoned and received the coin on approval. I agreed with Bowers & Merena's grading but every dealer I showed it to graded it an XF-40. Market grading had begun! Eye appeal is buy appeal, so I knew I could sell it if I needed cash in an emergency. Today the coin retails in VF-35 well above what I had to pay for it.



An 1807 Draped Bust/ Heraldic Eagle 25¢ PCGS-35
(from the author's collection) [Magnify page to 200%]

(Continued on page 3, column 1)

An Additional Coin to the 1807 set



An 1807/6 Draped Bust Large Cent, S-273 R1
[Magnify page to 200% to see overdate clearly.]

A year ago, I was attending the South Carolina Numismatic Association's annual convention in Greenville when I happened by a table that had a display of early large cents. This in itself was unusual since most dealers set up along the 80 table bourse tended to feature everything but. The dealer came from Chattanooga and was himself a collector of early large cents, especially 1798 which--after 1794--had the second most die varieties for a single year. He had brought with him a nice group of his 1798's that he wanted to sell, having already upgraded these varieties for his own collection. What interested me however, was an 1807/6 Draped Bust large cent that he had in his case. It was a Sheldon-273 variety, common but with nice surfaces, strong definition and decent (*if not spectacular*) color. Having sold some items at the show, I was able to afford his price; a marked increase over the normal date S-276 I acquired back in the mid 1990's. Sometimes a touch of serendipity will mark the highlight of a major show. It did for me as I now had the final piece for the 1807 year set *sans* gold.

The Rare Gold Coinage of 1807



An 1807 \$2.50 Quarter Eagle Capped Bust facing right
Graded MS-61 by NGC and realized \$32,200.00 in Heritage's Long Beach auction held Sept. 16, 2006 [Courtesy of Heritage Auction archives]

Only two gold denominations were struck in 1807, the \$10.00 Eagle having been suspended after 1804. These were the \$2.50 quarter eagle and \$5.00 half eagle. The quarter eagle was only 20 mm in diameter (*about the size of the dime of that period*), weighing 4.37 grams with a composition of .9167 gold bonded to 0833 silver and copper. The 1807 issue was the final year of Robert Scot's Capped Bust facing right/ Heraldic Eagle design type. It is extremely rare and prohibitively expensive as the above price realized by the successful bidder confirms.

Like the half dollar, the \$5.00 gold piece boasts two types for 1807; Robert Scot's outgoing Capped head facing right and John Reich's "Turban" Head facing left. The proportion of gold to silver for both types was the same as the smaller \$2.50 coin. As larger coins, each weighed 8.75 grams and was about 25 mm in diameter; (*slightly larger than our current quarter which is 24.3 mm.*). Neither is as rare as the 1807 \$2.50 quarter eagle but still beyond the reach of most collectors as AU's sell in the upper four figures with BU's as shown in the lower five figures; certainly well beyond the author's budget and most collectors.



This 1807 Capped Bust facing left \$5.00 half eagle graded MS-64 by NGC realized \$43,125 at a Heritage's auction in August, 2006
[Courtesy of Heritage Auctions Archives]



This 1807 Capped Bust facing left \$5.00 half eagle graded MS-62 by PCGS realized \$12,650 at a Heritage's auction in Sept., 2006
[Courtesy of Heritage Auctions Archives]

1807 Mintages

½¢	476,000	scarce above Choice VF-25
1¢	829,221	scarce above Choice VF-35
10¢	165,000	becoming scarcer in high grade
25¢	220,643	becoming scarcer above VG-10
DB 50¢	301,076	still available through AU
CB 50¢	750,500	still available through AU
\$2.50	6,812	extremely rare and very expensive
Bust r. \$5.00	32,488	rare and very expensive
Bust l. \$5.00	51,605	scarce and very expensive

The Rarity Factor for 1807 Copper, Silver & Gold coins

It is instructive to the collector to study the reported mintages of our early coinage. As dates go, 1807 (*along with 1806 and some 1805 coins*) is considered a relatively common date when compared with virtually all prior dates; at least for the six lower denomination coins. In 1807, the population of the United States was just 6,588,000. Our coinage was certainly more efficient than it is now as all seven denominations (including gold) came to only \$8.36½. This amount has today's equivalent purchasing power of \$167.30. A citizen of 1807 carrying a \$5.00 gold piece in his/her purse had today's purchasing power of \$100. For years, collectors neglected these early dates preferring Morgan dollars, (*struck in the multi-millions for most dates*), commemorative halves (*which seldom saw any circulation*) and generic later gold coinage. But with the introduction of the statehood quarters in 1999 arousing greater interest in coin collecting, the collector base has increased substantially resulting in a greater attrition rate of early US type than at any time in our history. These once available so-called common dates are not so common anymore, especially in the desirable higher circulated grades of VF-30 through AU-58. This is why today's collector is advised to select certified specimens at least of the silver coins which tend to be graded more conservatively than their copper counterparts are. The author will probably never own one of the gold issues of 1807 but should anyone reading this have the discretionary income to afford one, certification is imperative.

WHO WANTS TO BE A MILLIONAIRE

By Bill Myers



A One Billion Marks German Inflation note circa 1924

To become a millionaire you can try working hard and investing wisely. Other options include winning the lottery, robbing a bank (not advised), get on and win a reality TV or game show, or for a few dollars, you can buy some world currency. The advantage of the last method is that you do not have to invest much to purchase millions. The disadvantage is that your millions will have very little to no buying power.

Many countries have experienced a runaway inflation, necessitating the printing of very large denomination notes. This occurred in Germany after World War I. Starting in 1923, notes were produced in denominations of 1, 5, 10, 20 and 50 *millionen* (million) mark. When inflation continued, 1, 5, 10, 20, 50 and 200 *milliarden* (billion) mark notes were printed. This was soon followed by 1, 5, 10 and 100 *billionen* (trillion) mark notes. By 1924, they were only producing 1, 2, 5, 10, 20, 50 and 100 *billionen* mark notes.

With World War II, Greece released 1 and 5 million *drachma* notes in 1944. The value of the notes subsequently released was valued in the hundreds of millions and ultimately 1 and 2 billion *drachmae* were released.



A Greek 5 million drachmae issued in 1944

In 1946, Hungary experienced significant inflation. A 1 million pengo note was issued at that time. The following series was in multiples of *milpengo* (million pengo) from 10,000 (1 and 10 zeroes) to 1 million (1 and 12 zeroes). Then came issues denominated in B-pengo (trillion pengo) from 10,000 (1 and 16 zeroes) to 1 billion. The 100 million B-pengo notes (1 and 20 zeroes) is the highest denomination note ever released. The 1 billion B-pengo notes were never released, but to this day, that denomination remains the highest denomination note ever produced – that's 1,000,000,000,000,000,000,000!

Examples that are more recent are abundant. Yugoslavia released a series of notes from 5,000 to 2 million

dinara in 1985-89, then 100,000 to 10 billion in 1993. They also had reform issue notes that went from 5,000 to 500 trillion *dinara*. That is a 5 followed by 11 zeroes.



A Yugoslavian 500 trillion *dinara* issued in 1993

In 1990, Peru released 1 and 5 million *intis* notes. In 1991, 1 million *intis* equaled their new denomination of 1 *nuevo sol*. Poland released 1 and 2 million *zlotych* in 1991-93. Bosnia and Herzegovina released 1, 5, 100 and 500 million *dinara* notes in 1993. 10 and 50 billion *dinara* notes were also produced, though not released. Croatia also had runaway inflation in 1993 and released a 1 million *dinara* note. They then proceeded to release notes denominated in billions of *dinara* and ended with a 50 trillion *dinara* note in 1992 and 2002, Turkey released 1, 10 and 20 million *lira* notes. By 2005, 100,000 old *liras* was devalued and converted to 1 new *lira*.



A Zaire 5 million zaires note issued in 1993

Also in 1993, Zaire released 1 and 5 million zaires notes. They then released *nouveaux makuta* and then *nouveau Zaire* notes to replace these, but by 1996 had to release 1 million *nouveaux zaires* due to persistent hyperinflation.

Who wants to be A Millionaire?

(Continued from preceding page)

Angola released 1 and 5 million *kwanzas* readjustados notes in 1995. Compared to the countries I have mentioned, the inflation we experience and complain about everyday in the U.S. seems insignificant. With just one of these inexpensive foreign notes, you can easily become a millionaire – just not in dollars.



A Croatian 1 million dinara note issued in 1993

Another gem from Bill Myers



A Lions' Tale

Dave Bailey

I recently read that a new record for the sale of an English milled gold coin was set. The coin was a five guinea piece with a bust of Queen Anne and dated 1703 with the word Vigo under the bust. This reminded me of the way that England would get out of debt. From Queen Elizabeth I to Queen Anne, the financial plan was the same, and therein lies the tale.

The plan was simple. Provoke a war with Spain and “confiscate” their assets.



1703 Five Guinea, as described in this article

In 1702, a combined Anglo-Dutch fleet set sail to attack the Spanish treasure fleet. The Spanish convoy consisted of two groups of Spanish galleons carrying the treasure of the Americas, gold and silver. French warships served to protect the merchantmen from British attack. The fleet left Havana bound for Cadiz, Spain. The mission was uneventful until the convoy reached the Azores. French lookouts reported sail in the distance. Admiral Chateaufort aboard the French flagship “Fort” realized that plans would have to change.

A meeting between the French and Spanish took place

in the face of the danger of the English fleet. The French wanted to go to Brest, France, but the Spanish proposed to go to Vigo in northwestern Spain on the Atlantic Ocean. The “Plan” called for the ships to be unloaded at Vigo and the gold and silver transported by horse and wagon to the Spanish city of Lugo under the protection of the Spanish army led by General Bambazon. The Spanish plan prevailed, and the treasure fleet set their course for Vigo.

Admiral George Brooke, the English commander followed the fleet and, on October 21, 1702, arrived off the coast of Vigo. Vigo is a natural harbor with land surrounding the harbor except for a narrow opening to the sea. The following day, the Spanish launched a fire ship at the Anglo-Dutch fleet. The ship’s mission failed as English sailors were able to intercept it before the fire reached the rigging of the English ships. Admiral Brooke decided to enter the harbor to take prizes. Admiral Chateaufort attempted to deprive Brooke by ordering the Spanish and French ships burnt and scuttled. The scuttling was only partially successful. English and Dutch sailors managed to extinguish fires aboard some of the fleet. This resulted in five Spanish treasure ships and six French warships being captured. Not only were they captured, but the treasure aboard was added to the captured booty. The treasure was valued at one and a half million pounds. A good day’s work!!!

The Royal mint added to the excitement of the occasion by using the gold and silver bullion to strike coins between 1702 and 1793. The coins featured the portrait of the new Queen Anne and the word Vigo below the bust. Poor to rich shared in the celebration. Six pence (a dime sized coin) to five guineas pieces (a gold coin slightly larger than a \$20 gold piece) featured the Vigo classification to the public’s delight.



The design was also used on the Shilling

The rest of the treasure still lies at the bottom of Vigo Bay, awaiting discovery by future generations. In case you were wondering, Admiral Chateaufort was exonerated for scuttling the fleet. Admiral Brooke had further exploits and took Gibraltar which England continues to hold today. England continued to attack Spanish interests for treasure, notably, Admiral Anson in the 1740’s. Unfortunately, the Spanish treasury was looted during the Spanish Civil War and lost its gold reserves. Spain ran out of gold and England never attacked Spain again.

Used by permission from the *Hills Nummatist*, Monthly Newsletter of the Watchung Hills, NJ Coin Club, Eric Knapp, editor

More Club News

(Continued from page 1)

At the October 1 meeting, Treasurer Pat James reported a club balance of \$1,875.84, the highest since the club was founded in 2001. The success owes much to J.J. Engel's efforts as Show Chairman and the Executive Committee. President Willie Simon also thanked the many club members who helped to make this our most successful show ever. On another matter, Willie asked members to let the Executive Committee know if any member was ill.

There were three Show & Tell participants: YN Austin Kuhl displayed two items; a 1997 1/10 oz. gold bullion coin and an Australian \$1.00 one oz. silver piece He especially liked the Saint-Gaudens striding liberty design on the 1/10 oz. gold. Jim Barry brought in a silver copy of the renowned South Carolina Elephant token and Arno Safran displayed a 1927 US year set (excluding gold) housed in a Lucite holder which he presented to his parents at their Golden Wedding anniversary.

The program featured a video of member Tony Chibbaro's slide-program on "Pre 1900 South Carolina Exonumia" which he presented at the ANA Money Show held in Charlotte back in March. Many wonderful examples from Tony's collection were displayed; some extremely rare. The audio-visual system is so good at the Cedar Creek Activity Center that a number of members kept turning around to see where Tony was.

The prize winners of the evening were Jerry Asner who won the 2007 silver eagle door prize and Gene Riggins who took the 50/50. Congratulations gentlemen.

Upcoming Club Events

Our next meeting is scheduled for this coming Thursday, Nov. 8. Bill Myers will present Part Two of "Numismatics in Iraq". Please bring in a Show & Tell item.

There will be no regular meeting on the second Thursday in December. Instead, on December 6, the club will hold its seventh annual pre-holiday dinner; once again, at EeJays Restaurant, 1680 Richland Ave., Suite 180 in the Kalima Mall, located on the Augusta bound side of Rtes. 1 & 78. Time: 6:30-7:00-Social-Cash Bar, 7:00 PM Dinner. Reservation forms were distributed at our October meeting and will be available again at our Nov. 8 get together. Members are \$10.00; children ages 5 to 10, \$5.00 non members adults \$22.00 and children \$10.00 each. Entree choices include Prime Rib, Chicken Monterey and Fried or Broiled Shrimp. Please send checks payable to Pat James, PO Box 1739, Aiken, SC 29802 (or leave at her office or coin shop on York Street). The absolute deadline is Thursday, Nov. 29, 2007. The affair is one of the highlights of being a SJ CSRA CC member as a number of prizes are presented.

Last Newsletter of the Year

This will be the final issue of the newsletter for 2007. The first regularly scheduled meeting of the club will be held on January 3, 2008. That's a first Thursday. All the remaining dates will continue to be held on the second Thursday.

Club Show Pix

(Courtesy of Bill Myers)

Member Bill Myers took a number of photographs at our show held at the H. Odell Weeks Activity Center in Aiken on September 15. Shown below and on page 7 are some of the highlights. These and others can be found on our club web site. Thanks, Bill for making these available to the readers.



View of hall from the entrance



Bourse Action at Show



Members Paul Simons and Pat James at their table

(More Show pictures on page 7)

Show Photo Gallery (continued)



Decisions? Decisions! To buy or not to buy?
President Willie Simon at Dick and Sharon Smoot's table



John Attaway checking price list with Dick Smoot looking on



Arno and Vilma Safran at Welcoming Desk with VP Jim Barry looking on



Secretary Helen Barry chatting with a patron



Bill Myers watching Pat James' Table

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